

CHAPMAN AND CUTLER

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1877-1943
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April 29, 1998

RECORDATION NO. 2136-E FILED

50 South Main Street
Salt Lake City, Utah 84144
(801) 533-0066

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

APR 29 '98

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Re:

Union Pacific Railroad Company
Leveraged Lease Locomotive Financing
UPRR 1998-D

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the document described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The enclosed document is as follows:

Memorandum of Lessor Security Agreement (UPRR 1998-D), dated April 30, 1998, between Granger Locomotive Lease Co., Ltd., as lessor (the "Lessor"), and Union Pacific Railroad Company, as lessee (the "Lessee").

The names and addresses of the parties to the enclosed document are as follows:

Lessee: Union Pacific Railroad Company
1717 Main Street, Suite 5900
Dallas, Texas 75201-4605

Lessor: Granger Locomotive Lease Co., Ltd.
Dai-Ichi Edobashi Building
1-11-1 Nihonbashi
Chuo-ku
Tokyo 103, Japan
Attention: General Manager

The underlying Lessor Security Agreement provides, *inter alia*, for the granting of a junior security interest in certain Locomotives (the "Equipment") in favor of the Lessee.

The description of the Equipment covered as of the date hereof by the aforesaid Memorandum of Lessor Security Agreement is as set forth on Exhibit A hereto.

A fee of twenty-six dollars (\$26.00) is enclosed. Please time and date stamp the enclosed copies of the enclosed document along with the extra copy of this letter as proof of

CHAPMAN AND CUTLER

filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

A short summary of the document to appear in the index follows:

MEMORANDUM OF LESSOR SECURITY AGREEMENT:

Memorandum of Lessor Security Agreement (UPRR 1998-D) between Granger Locomotive Lease Co., Ltd., as Lessor, Dai-Ichi Edobashi Building, 1-11-1 Nihonbashi, Chuo-ku, Tokyo 103, Japan, Attention: General Manager, and Union Pacific Railroad Company, as Lessee, 1717 Main Street, Suite 5900, Dallas, Texas 75201-4605, dated April 30, 1998, covering certain diesel electric locomotives bearing the road numbers listed in the Exhibit attached thereto.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-2977).

Sincerely,

CHAPMAN AND CUTLER

By August J. Francis
August J. Francis

AJF/mh
Enclosure

CHAPMAN AND CUTLER

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD9043MAC diesel electric locomotives	4	8227, 8231, 8235 and 8247
General Electric Company AC4400/6000 CW diesel electric locomotives	8	7314 through 7320, inclusive, and 7333

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MEMORANDUM OF LESSOR SECURITY AGREEMENT
(UPRR 1998-D)

Memorandum of Lessor Security Agreement made and entered into on April 30, 1998 by and between Granger Locomotive Lease Co., Ltd., a Cayman Islands corporation ("*Lessor*"), and Union Pacific Railroad Company, a Delaware corporation ("*Lessee*").

WITNESSETH:

The undersigned have entered into that certain Lessor Security Agreement (UPRR 1998-D), dated April 3, 1998, whereby Lessor has granted to Lessee a security interest in certain locomotives bearing the road numbers listed on Exhibit A attached hereto.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

GRANGER LOCOMOTIVE LEASE CO., LTD.

By 

Name: F. van Blaustein

Title: President

Executed on this 23rd day of April, 1998.

UNION PACIFIC RAILROAD COMPANY

By _____

Name: John B. Larsen

Title: Assistant Treasurer

Executed on this ____ day of April, 1998.

**MEMORANDUM OF LESSOR SECURITY AGREEMENT
(UPRR 1998-D)**

Memorandum of Lessor Security Agreement made and entered into on April 30, 1998 by and between Granger Locomotive Lease Co., Ltd., a Cayman Islands corporation ("*Lessor*"), and Union Pacific Railroad Company, a Delaware corporation ("*Lessee*").

WITNESSETH:

The undersigned have entered into that certain Lessor Security Agreement (UPRR 1998-D), dated April 3, 1998, whereby Lessor has granted to Lessee a security interest in certain locomotives bearing the road numbers listed on Exhibit A attached hereto.

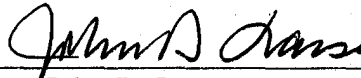
IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

GRANGER LOCOMOTIVE LEASE CO., LTD.

By _____
Name: F. Jan Blaustein
Title: President

Executed on this ____ day of April, 1998.

UNION PACIFIC RAILROAD COMPANY

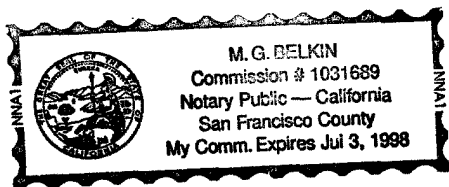
By  _____
Name: John B. Larsen
Title: Assistant Treasurer

Executed on this 22nd day of April, 1998.

STATE OF California)
)
COUNTY OF San Francisco) SS.:

On this, the 23rd day of April, 1998, before me, a Notary Public in and for said County and State, personally appeared F. Jan Blaustein, who being by me duly sworn, says that she is the President of GRANGER LOCOMOTIVE LEASE CO., LTD., that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on April 23, 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



M. G. Belkin
Name: _____
Notary Public
My Commission Expires: _____
Residing in _____

STATE OF TEXAS)
) SS.:
COUNTY OF DALLAS)

On this, the ____ day of April, 1998, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on April ___, 1998 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: _____
Notary Public
My Commission Expires: _____
Residing in _____

STATE OF _____)
) SS.:
COUNTY OF _____)

On this, the _____ day of April, 1998, before me, a Notary Public in and for said County and State, personally appeared F. Jan Blaustein, who being by me duly sworn, says that she is the President of GRANGER LOCOMOTIVE LEASE CO., LTD., that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on April ___, 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

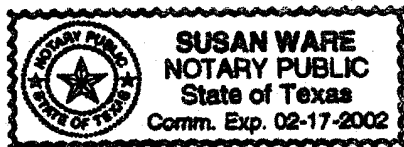
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF TEXAS)
) SS.:
COUNTY OF DALLAS)

On this, the 22nd day of April, 1998, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on April 22, 1998 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Susan Ware
Name:
Notary Public
My Commission Expires: 02/17/02
Residing in Rockwell, TX

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD9043MAC diesel electric locomotives	4	8227, 8231, 8235 and 8247
General Electric Company AC4400/6000 CW diesel electric locomotives	8	7314 through 7320, inclusive, and 7333